

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Leavell DATE TYPED 2/8/05 HB _____

SHORT TITLE Title Insurer Underwriting Standards SB 376

ANALYST Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			NFI		

Conflicts with HB 33

SOURCES OF INFORMATION

LFC Files

Responses Received From
Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 376 makes a title insurer liable for any errors its employees may make in the process of searching a title insurance policy.

Significant Issues

The PRC states this bill does not significantly change the existing statute but merely tries to explain more clearly that the consumer can only seek damages from the title insurance company for any errors resulting from the title company's search.

CONFLICT

SB 376 with HB 33, Restore Title Search Duty of Reasonable Care, which will make both the title insurer and the insurance agent liable separately for a search error.

DW/sb